



General Assembly

January Session, 2013

Raised Bill No. 927

LCO No. 3343



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:
(LAB)

***AN ACT CONCERNING THE DEFINITION OF NEW EMPLOYEE IN THE
UNEMPLOYED ARMED FORCES MEMBER SUBSIDIZED TRAINING
AND EMPLOYMENT PROGRAM.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 31-3uu of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2013*):

3 (a) For purposes of this section:

4 (1) "Department" means the Labor Department;

5 (2) "Eligible business" means a business that (A) has operations in
6 Connecticut, (B) has been registered to conduct business for not less
7 than twelve months, and (C) is in good standing with the payment of
8 all state and local taxes;

9 (3) "Control", with respect to a corporation, means ownership,
10 directly or indirectly, of stock possessing fifty per cent or more of the
11 total combined voting power of all classes of the stock of such
12 corporation entitled to vote. "Control", with respect to a trust, means

13 ownership, directly or indirectly, of fifty per cent or more of the
14 beneficial interest in the principal or income of such trust. The
15 ownership of stock in a corporation, of a capital or profits interest in a
16 partnership, limited liability company or association or of a beneficial
17 interest in a trust shall be determined in accordance with the rules for
18 constructive ownership of stock provided in Section 267(c) of the
19 Internal Revenue Code of 1986, or any subsequent corresponding
20 internal revenue code of the United States, as from time to time
21 amended, other than paragraph (3) of said Section 267(c);

22 (4) "Related person" means (A) a corporation, limited liability
23 company, partnership, association or trust controlled by an eligible
24 business, (B) an individual, corporation, limited liability company,
25 partnership, association or trust that is in control of an eligible
26 business, (C) a corporation, limited liability company, partnership,
27 association or trust controlled by an individual, corporation, limited
28 liability company, partnership, association or trust that is in control of
29 an eligible business, or (D) a member of the same controlled group as
30 an eligible business;

31 (5) "New employee" means a person who (A) was unemployed prior
32 to employment with an eligible business, regardless of whether such
33 person collected unemployment compensation benefits as a result of
34 such unemployment, and (B) was a member of the armed forces and
35 was [called to active service in support of (i) Operation Enduring
36 Freedom, or (ii) military operations that were authorized by the
37 President of the United States that entail military action against Iraq,
38 and (C) was] honorably discharged after not less than ninety days of
39 service, [in an area designated by the President of the United States by
40 executive order as a combat zone, as indicated on a military discharge
41 document, as defined in section 1-219,] unless such person was
42 separated from service earlier because of a service-connected disability
43 rated by the Veterans' Administration. "New employee" does not
44 include a person who was employed in this state by a related person of
45 such eligible business during any of the twelve months prior to

46 employment with the eligible business;

47 (6) "On-the-job training" means training provided by an eligible
48 business on such business' premise; and

49 (7) "Armed Forces" means the United States Army, Navy, Marine
50 Corps, Coast Guard and Air Force and any reserve component thereof,
51 including a state National Guard performing duty as provided in Title
52 32 of the United States Code.

53 (b) (1) There is established within the Labor Department an
54 Unemployed Armed Forces Member Subsidized Training and
55 Employment program for eligible businesses. Said program shall
56 provide grants to eligible businesses to subsidize, for the first one
57 hundred eighty calendar days after a new employee is hired, part of
58 the cost of on-the-job training and compensation for such new
59 employee, in accordance with subsection (c) of this section. No
60 business receiving a grant under this section with respect to a new
61 employee may receive a second grant under this section or a grant
62 under section 31-3pp with respect to the same new employee.

63 (2) At the discretion of the Labor Commissioner, the department
64 may use up to four per cent of any funds allocated pursuant to section
65 31-3vv for the purpose of retaining outside consultants or the
66 Workforce Investment Boards to operate the Unemployed Armed
67 Forces Member Subsidized Training and Employment program.

68 (3) In fiscal year 2013, the department may use up to four per cent of
69 any funds allocated pursuant to section 31-3vv in said fiscal year for
70 the purpose of the marketing and operation of the Unemployed
71 Armed Forces Member Subsidized Training and Employment
72 program.

73 (c) (1) An eligible business may apply to the department for a grant
74 to subsidize on-the-job training and compensation for a new employee
75 hired by such business. The Labor Commissioner, or said

76 commissioner's designee, shall review and approve such business'
77 description of the proposed on-the-job training as part of the grant
78 application.

79 (2) A grant awarded to an eligible business pursuant to this
80 subsection shall be in the following amount: (A) For the first thirty
81 calendar days a new employee is employed, one hundred per cent of
82 the wage of such new employee, exclusive of any benefits, not to
83 exceed twenty dollars per hour; (B) for the thirty-first to ninetieth,
84 inclusive, calendar days, seventy-five per cent of such amount; (C) for
85 the ninety-first to one hundred fiftieth, inclusive, calendar days, fifty
86 per cent of such amount; and (D) for the one hundred fifty-first to one
87 hundred eightieth, inclusive, calendar days, twenty-five per cent of
88 such amount. A grant shall be cancelled as of the date the new
89 employee leaves employment with the eligible business.

90 (d) Not later than July 15, 2013, and annually thereafter, and January
91 15, 2014, and annually thereafter, the Labor Commissioner shall
92 provide a report, in accordance with the provisions of section 11-4a, to
93 the joint standing committees of the General Assembly having
94 cognizance of matters relating to finance, revenue and bonding,
95 appropriations, commerce, veterans and labor. Said report shall
96 include available data, for the six-month period ending on the last day
97 of the calendar month preceding such report, on (1) the number of
98 businesses that participated in the Unemployed Armed Forces
99 Member Subsidized Training and Employment program established
100 pursuant to subsection (b) of this section, and the general categories of
101 such businesses, and (2) the number of individuals that received
102 employment under said program.

103 (e) The Labor Commissioner may adopt regulations in accordance
104 with the provisions of chapter 54 to carry out the provisions of this
105 section.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2013</i>	31-3uu
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Statement of Purpose:

To eliminate the requirement that all armed services members must serve in a "combat zone" to be considered "new employees" under the Standardized Training and Employment program.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]